



May 8, 2000

Dear Medicare DMEPOS Supplier:

As you know, the Health Care Financing Administration (HCFA) is requesting that Medicare suppliers of durable medical equipment, prosthetics, orthotics and supplies (DMEPOS) participate in a competitive bidding demonstration to provide specific types of DMEPOS to Medicare Part B fee-for-service beneficiaries. Beginning January 1, 2001, the new prices established by the bidding process are scheduled to go into effect for beneficiaries living in Bexar, Comal and Guadalupe counties in Texas.

Request for Bids and Other Enclosures

Enclosed is the Request for Bids (RFB) package, which includes a detailed description of demonstration policies, requirements, and standards, as well as the bidding forms and instructions. In addition, you will also find a timetable and checklist enclosed in this package. The deadline for submitting all bid materials is included on the timetable.

Bidders' Conference

HCFA will hold a bidders' conference where HCFA and Palmetto GBA staff will describe the demonstration's policies and answer questions. They will provide details about the demonstration and review the forms needed to prepare and submit bids. Participation in this conference is not required, but those planning to attend should register in advance. If you have not yet registered, please call (888) 289-0710 or send a fax to the demonstration staff at (803) 935-0078 with the following information: Attendees' Names, Supplier Name, Address, Telephone Number, Fax Number, and E-mail Address. Due to facility constraints, HCFA must limit the number of attendees to two per supplier.

The conference will be held at the Hyatt Regency in San Antonio, located along the Riverwalk at 123 Losoya. Registration will begin at 8:30 a.m., and the meeting will begin at 9 a.m. We expect the meeting to conclude around noon. You may call the Hyatt at (210) 222-1234 for directions to the hotel. You may also call our toll-free number (888) 289-0710 between 8 a.m. and 4 p.m. Central Time to obtain more information about the demonstration and bidders' conference.

We want suppliers to have all the information necessary to participate in this demonstration. If you have questions, we encourage you to attend the bidders' conference or call our toll-free number.

Sincerely,

Sharon Arnold, Ph.D.

Director

Demonstrations and Data Analysis Group